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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

July 30, 1990

Mr. Rod Thompson  
Manager Engineering & Compliance  
Tooele County  
Department of Development Services  
47 South Main  
Tooele, Utah 84074

*Rod*

Dear Mr. Thompson:

Re: Joint Agency Surety Agreement, American Consolidated Mining Company, Yellow Hammer Mine, M/045/019, Tooele County, Utah

Pursuant to your July 3, 1990 letter, and follow-up phone conversations with D. Wayne Hedberg, this letter is forwarded to you regarding your request for development of a joint agency Memorandum of Understanding (MOU), between our respective agencies for American Consolidated Mining Company (ACMC) mining properties.

You indicated in your letter that ACMC has requested that Tooele County release a stock certificate (#15703) currently held as a bond for their two (2) conditional use permits (#1600-85 & 2100-85). You requested that Tooele County and the Division of Oil, Gas & Mining enter into a formal MOU to co-hold the existing \$16,600 reclamation surety posted with the Division for reclamation of the Yellow Hammer minesite. You also indicated that your agency would like to have the opportunity to review any new ACMC exploration and/or mine development work proposals that may require issuance of new conditional use permits or amendments to the existing county permits.

As Mr. Hedberg discussed with you, the Division is willing to develop a working agreement to address the details of your request concerning ACMC's operations. The specific agreement will need to be drafted and formally reviewed by the Division's legal counsel. This may take some time to formalize. In the interim, the Division proposes that Tooele County consider accepting this letter as our written commitment not to release ACMC's reclamation surety until your agency is satisfied that the operator has achieved all of the conditional use permit requirements.

Page 2  
Mr. Rod Thompson  
M/045/019  
July 30, 1990

The Division will proceed to prepare a draft MOU/Working Agreement and forward it to your agency for review and comment as soon as possible. I hope that this letter will satisfy your immediate concerns and allow you to release ACMC's stock certificate. Please feel free to contact me at (801) 538-5340, if I can provide further assistance or answer other related questions to this permitting action.

Sincerely,

A handwritten signature in cursive script, reading "Lowell P. Braxton".

Lowell P. Braxton  
Associate Director, Mining

DWH/jb  
cc: Dianne R. Nielson  
D. Wayne Hedberg  
WMN.1/1-2